

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS

FILED

JUN 21 2017

UNITED STATES OF AMERICA,

vs.
Plaintiff,

JASON LAUT,

Defendant.

) CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF ILLINOIS
EAST ST. LOUIS OFFICE

) Case No. 17-30001-DRH

) Title 18, United States Code,
)) Sections 1001(a), 1028A(a)(1),
)) 1343, and 1365(a)(4)
)

SUPERSEDING INDICTMENT

THE GRAND JURY CHARGES:

COUNTS 1-6

Wire Fraud

A. Introduction

At all times relevant:

1. **JASON LAUT (LAUT)** was employed by MedStar ambulance company as a paramedic, paramedic supervisor (operations supervisor) and as the Dispatch Manager. **LAUT** was also a system administrator, which allowed him the ability to edit or alter data entered on Patient Care Reports (PCR) that were generated during and after ambulance calls for service.

2. MedStar is an ambulance service located in Sparta, Illinois with a satellite office in Belleville, Illinois. MedStar operates within Region 4 of the Southern Illinois Emergency Medical Services (EMS) System while providing services to residents in St. Clair, Randolph and Clinton Counties in Illinois.

3. Paramedics can lawfully dispense controlled substances to individuals in the performance of their duties only when directed to do so by the receiving hospital or by Standard Operating Guidelines established by a licensed medical director.

4. A PCR is a document that is generated during and after an ambulance call for service detailing the call for service and the actions taken by the paramedic and emergency medical technician in providing services to a patient and includes any medication administered to a patient.

5. The software utilized to create and maintain the PCR is known as Physio-Control Data Solutions and the servers that house the software is located in the State of Minnesota. Any input, edits or alterations of the PCR that were made by **LAUT** using his administrative access occurred within the Southern District of Illinois and thereby changed the data stored outside of the State of Illinois.

6. Southwestern Illinois EMS System is operated out of Memorial Hospital in Belleville, Illinois. Memorial Hospital is an Illinois Department of Public Health approved resource hospital. In this role, Memorial Hospital and its professional medical staff would maintain supplies of drugs including controlled substances including Fentanyl and Morphine that would be utilized on patients by ambulance paramedics consistent with predetermined policies and procedures. Memorial Hospital would supply various drugs, including Fentanyl and Morphine, to paramedics in containers known as Narcotics Boxes. Staff at Memorial Hospital would refill a depleted Narcotics Box from one of the Region 4 ambulances when a paramedic would present the Narcotics Box and Narcotics Log.

7. A Narcotics Log is a paper document utilized by ambulance companies, including MedStar, to keep track of the usage and waste of controlled substances while in service. This

document is initially filled out by a pharmacist who issues the Narcotics Box and then an entry is made on the log anytime paramedics dispense, or dispose of drugs in any fashion. This Narcotics Log is then given back to a pharmacist with the Narcotics Box and a new box and log is then given to the requesting paramedic. The Narcotics Log is the only record that accounts for the use or destruction of controlled substances and is therefore critical to any ability to conduct audits of the use or misuse of controlled substances outside of the hospital.

8. Memorial Hospital enters the Narcotics Log data into a program called Omnicell, which is used to order new drugs in order to maintain a ready supply. Memorial Hospital pays for drugs used by the various ambulance companies in Region 4.

9. Fentanyl is an opioid narcotic controlled substance that is used to treat severe pain. It has a high risk for addiction and dependence. Fentanyl utilized by paramedics in Region 4 was in the liquid form. Fentanyl is a Schedule II controlled substance.

10. Morphine is a narcotic controlled substance used to treat moderate to severe pain. It has a high risk of addiction and dependence. Morphine utilized by paramedics in Region 4 was in the liquid form. Morphine is a Schedule II controlled Substance.

11. On or before January 13, 2013, tampering, theft, misuse and abuse of controlled substances, including Fentanyl and Morphine, was identified as taking place in Region 4 within the EMS ambulance community.

12. In September of 2014, with continued concerns regarding the tampering, theft, misuse and abuse of controlled substances taking place, a Region 4 system wide inventory took place. This inventory was of all ambulances and ambulance companies system wide. During this inspection, MedStar ambulances were found to have only eight (8) intact vials of Fentanyl

while 55 vials showed evidence of tampering. All Fentanyl was removed from ambulances throughout Region 4.

13. In January of 2015, Memorial Hospital began reissuing Fentanyl to EMS vehicles. This allowed paramedics to utilize the pain control medication during the performance of their duties as a paramedic.

14. On May 25, 2015, it was determined that Fentanyl had again been tampered with while being utilized by the Region 4 EMS community. A system wide recall of all Fentanyl from Region 4 ambulances determined that 30 vials had evidence of tampering, while 28 of those vials were found on ambulances operated by MedStar.

B. The Scheme to Defraud

15. From in or around January of 2013, and continuing until in or around May of 2015, in St. Clair, Randolph and Clinton Counties within the Southern District of Illinois,

JASON LAUT,

defendant, did devise a scheme to defraud Memorial Hospital through the theft, obtaining by fraud, and misuse of controlled substances, namely Fentanyl and Morphine, while performing duties as a paramedic or paramedic supervisor.

C. Manner and Means of the Scheme

16. Laut, utilizing his administrator access, would and did alter PCR reports for ambulance runs to indicate that controlled substances, specifically Fentanyl and Morphine, were dispensed when in fact they were not dispensed, wasted or utilized.

17. **Laut** would enter false information onto Narcotics Logs for Narcotics Boxes maintained in ambulances where he was acting as the paramedic, for those where he arrived on scene as a supervisor and also the Narcotics Log for the Narcotics Box in his supervisory vehicle.

18. **Laut** would falsely claim on the Narcotics Log to have given controlled substances to patients where no ambulance trip was made or that the patient did not exist. These “phantom” entries occurred on numerous occasions.

19. **Laut** claimed to have given controlled substances to patients that refused medical treatment or where the condition of the patient would have precluded the use of Fentanyl or Morphine.

20. **Laut** falsely claimed to have received authorization for the dispensing of controlled substances, including on at least one occasion where the doctor he claimed gave the authority, no longer worked at the receiving hospital.

D. The Wire Communication

21. On or about the dates set forth below, in the Southern District of Illinois and elsewhere,

JASON LAUT,

defendant herein for the purpose of executing the scheme described above, and attempting to do so, caused to be transmitted by means of wire communications in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	DATE	DESCRIPTION
1	5/22/13	Patient Care Report for (RM) that was created on or about 1/19/13 was altered to indicate that Fentanyl was administered to patient (RM).
2	5/22/13	Patient Care Report for (PM) that was created on or about 1/23/13 was altered to show that Fentanyl was administered to patient (PM).
3	5/22/13	Patient Care Report for (DM) that was created on or about 4/23/13 was altered to show that Fentanyl was administered to patient (DM).
4	9/14/13	Patient Care Report for (DR) that was created on or about 8/14/13 was altered to show that Fentanyl was administered to patient (DR).
5	10/26/13	Patient Care Report for (KN) that was created on or about 10/15/13 was altered to show that Fentanyl was administered to patient (KN).
6	9/4/14	Patient Care Report for (PG) that was created on or about 8/27/14 was altered to show that Fentanyl was administered to patient (PG). The patient narrative history was also altered.

All in violation of Title 18, United States Code, Section 1343.

COUNTS 7 - 35
False Statements

22. Paragraphs 1-18 are realleged and incorporated in each count set forth below.

23. On or about the dates set forth below, in St. Clair County, within the Southern District of Illinois,

JASON LAUT,

defendant, did willfully and knowingly make and use a false writing and document, knowing the same to contain a materially false, fictitious and fraudulent statement and entry, in a matter within the jurisdiction United States Drug Enforcement Administration, which is within the executive branch of the Government of the United States, by submitting a Narcotics Log from

the emergency vehicles identified below that contained materially false statements regarding the dispensing of controlled substances, each date constituting a separate count:

Count	Vehicle ID for Narcotics Log	Date
7	4G34	September 14, 2013
8	4G34	September 21, 2013
9	4G34	April 12, 2014
10	4G34	May 10, 2014
11	4G34	June 6, 2014
12	4G34	July 4, 2014
13	4G17	July 18, 2014
14	4G17	July 20, 2014
15	4G34	August 2, 2014
16	4G34	August 12, 2014
17	4G17	August 17, 2014
18	4G34	August 22, 2014
19	4G17	September 29, 2014
20	4G34	November 22, 2014
21	4G17	December 19, 2014
22	4G34	January 18, 2015
23	4G21	March 30, 2015
24	4C74	April 25, 2015
25	4G21	April 26, 2015
26	4C61	April 26, 2015
27	4C61	May 4, 2015
28	4G21	May 6, 2015
29	4G34	May 6, 2015
30	4G29	May 12, 2015
31	4G21	May 22, 2015
32	4G17	May 25, 2015

33	4C74	May 26, 2015
34	4G34	May 26, 2014
35	4G20	May 27, 2015

All in violation of Title 18, United States Code, Section 1001(a).

COUNT 36
Aggravated Identity Theft

24. On or about July 4, 2014, in St. Clair County, Illinois, in the Southern District of Illinois,

JASON LAUT,

defendant, did knowingly use, without legal authority, a means of identification of another person, (Doctor T.B.), during and in relation to a felony violation enumerated in 18 U.S.C. § 1001(a), to wit False Statements as alleged in Count 12, knowing that the means of identification belonged to another actual person. All in violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT 37
Aggravated Identity Theft

25. On or about May 6, 2015, in St. Clair County, Illinois, in the Southern District of Illinois,

JASON LAUT,

defendant, did knowingly use, without legal authority, a means of identification of another person, (Doctor T.B.), during and in relation to a felony violation enumerated in 18 U.S.C. § 1001(a), to wit False Statements as alleged in Count 28, knowing that the means of identification belonged to another actual person. All in violation of Title 18, United States Code, Section 1028A(a)(1).

COUNT 38
Tampering with a Consumer Product

26. On or about September 14, 2014, in the St. Clair County, within the Southern District of Illinois,

JASON LAUT,

with reckless disregard for the risk that another person would be placed in danger of death or bodily injury, and under circumstances manifesting extreme indifference to such risk, did tamper with a consumer product that affected interstate and foreign commerce, specifically the Schedule II controlled substance Fentanyl, by extracting the Fentanyl through the top of the vial, and replacing the Fentanyl with a solution or substance other than the labeled consumer product Fentanyl. All in violation of Title 18, United States Code, Section 1365(a)(4).

COUNT 39
Tampering with a Consumer Product

27. On or about May 25, 2015, in the St. Clair County, within the Southern District of Illinois,

JASON LAUT,

with reckless disregard for the risk that another person would be placed in danger of death or bodily injury, and under circumstances manifesting extreme indifference to such risk, did tamper with a consumer product that affected interstate and foreign commerce, specifically the Schedule II controlled substance Fentanyl, by extracting the Fentanyl through the top of the vial, and

replacing the Fentanyl with a solution or substance other than the labeled consumer product Fentanyl. All in violation of Title 18, United States Code, Section 1365(a)(4).

A TRUE BILL



DONALD S. BOYCE
United States Attorney
Southern District of Illinois



for RANLEY R. KILLIAN
Assistant United States Attorney

Bond Recommendation: \$20,000 unsecured